

**SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED,
P. O. BOX 11049,
DAR ES SALAAM, TANZANIA**

**PRE-FEASIBILITY STUDY REPORT ON:
INVESTMENT FOR INDUSTRIAL PARK FOR LEASE**

**Presented To:
TANZANIA INVESTMENT CENTRE
Shaban Robert Street
P. O. Box 938
Dar es Salaam**

Prepared by:

**SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY
LIMITED
P.O.BOX 61445
DAR ES SALAAM, TANZANIA**

JUNE 2022

**SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY
LIMITED
Strategic Pre-feasibility Report**

**SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED,
P. O. BOX 11049,
DAR ES SALAAM, TANZANIA**

*This document is confidential and has been made available to the **TANZANIA INVESTMENT CENTRE** to which the address is shown in the cover page and it is addressed strictly on the understanding that its contents will not be disclosed or discussed with any third parties except for **TANZANIA INVESTMENT CENTRE** professional advisers.*

*This profile is strictly for information only and projections in the pre –feasibility study report have been compiled by the consultant with close cooperation of the Promoters of the Business the **SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED** and Sector Experts for illustrative purposes and do not constitute actual forecasts.*

**SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY
LIMITED**

Business Profile: Pre-feasibility Study Report

**SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED,
P. O. BOX 11049,
DAR ES SALAAM, TANZANIA**

Table of Contents

- 1.0 EXECUTIVE SUMMARY**
- 2.0 STATEMENT OF PURPOSE**
 - 2.1 Purpose of investment**
 - 2.2 Investment financing plan**
 - 2.3 Summary of the Expected Results**
- 3. BUSINESS DESCRIPTION**
 - 3.1. Background of the Company**
 - 3.1.1. Legal Status
 - 3.1.2. Mission and Vision
 - 3.1.3. Operations
 - 3.1.4. Location and Address
 - 3.1.5. Postal Address
 - 3.1.6. Project location
 - 4.0 Core Business of the Company**
 - 4.1 Manufacturing of Float Glass and Glassware
 - 4.2 Manufacturing Flow Chart
 - 4.3 Production Capacity and Phases
- 5.0. MANUFACTURING INDUSTRY**
 - 5.1. Manufacturing Sector in Tanzania**
 - 5.1.1. Importance of Manufacturing Sector In Tanzania
 - 5.1.2. Manufacturing Float Glass and Glassware in Tanzania
 - 5.1.3. Justification of the project
 - 5.1.4. Impact of the project
 - 5.1.5. Opportunity drivers
- 6.0 ANALYSIS OF STRENGTHS, WEAKNESSES, OPPORTUNITY AND THREATS**
- 7.0 MARKETING INFORMATION**
 - 7.1. Costing and Pricing**
 - 7.2. Sales Projection**
 - 7.3. Customers**
 - 7.4. Marketing Plan**
- 8. ANALYSIS**
 - 8.1. Management**

**SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED,
P. O. BOX 11049,
DAR ES SALAAM, TANZANIA**

LIST OF APPENDICES

- 1. Certificate of Incorporation**
- 2. Tax Payer Identification Certificate**
- 3. Memorandum and Articles of Association**
- 4. Bank Reference Letter.**
- 5. Evidence of Land**

**SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED,
P. O. BOX 11049,
DAR ES SALAAM, TANZANIA**

1. Executive Summary

Company & Project concept

SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED is limited Company incorporated in Tanzania under the Company act of 2002. The Company was incorporated 03rd, May 2022, and bears Certificate of Incorporation #156010847. Company implements project which is under investment of industrial park of leasing

SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED will be located at Mkuranga District Coast Region. The outreach Office will be located at Plot 13 block B and Plot 19-21 Mkiu Mkuranga Pwani Region.

Our goals and objectives are straightforward and seek to ensure we run a professional, profitable and ethical company, building relationships with customers, suppliers and investors.

The implementation period of the project is estimated to be 10 to 20 years depending on the progress, development and permits to facilitate.

Company Goals and Objectives:

In Summary **SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED** aims to;

- Manufacture float and Glassware.
- Manage **SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED** by human resource policies which encourage and reward individual and unified effort and achievement, provide training and personal development opportunities and create a working environment in which staff can feel a real sense of job involve
- Build relationships with investors industrial park of leasing
- Achieve levels of profit sufficient to provide for reinvestment and suitable returns to shareholders and investors
- Seek to comply with all statutory legislation and other external relevant authorities. Define and keep under review Company policy, allowing flexibility for local requirements.
- Adopt best commercial practice and ethical standards in dealing with clientele, suppliers of goods and services and other contacts

Purpose of Business Plan

This document is prepared to the serve the purpose as a Pre-feasibility study report for **SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED** for investment industrial park .In addition, the Pre-feasibility study report shall be submitted to TIC for an award of Certificate of Incentives. The implementation of this project will compromise the following activities:-

**SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED,
P. O. BOX 11049,
DAR ES SALAAM, TANZANIA**

- Construction of a warehouse, office and production buildings, which will accommodate Installation of Machines and Equipment, administration and storage for this project.
- Procurements Machineries and Equipment's for this project.
- Equipping the project will all necessary modern furniture and facilities

The project promoter, the project will be managed and operated by SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED is owned by Chinese company and a Tanzanian citizen from China with the following share distribution.

NAME OF SHAREHOLDERS	NATIONALITY	SHARES%
Crewell International DMCC	Chinese Corporation	95%
Wu Qiquan	Chinese	05%

Company Legality, the legal certificates and documents such as Memorandum and Article of Association, certificate of incorporation, Tax Identification Number. Justify that SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED is operating within the ambit of the law of the Land

Project Organization Structure, the management of SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED constituted by the following organization set up:- Board of Directors, General Manager who is responsible on the supervision on the entire operations of the Company, a company accountant, a Production Manager who will be directly responsible for all matters pertaining manufacturing process.

Investment Structure, the project is estimated to cost 200 million USD the money covers building structures but also allocated fund include investment in, Building structure, Machineries and Equipment, furniture and fittings, pre expenses and working Capital. The equity contributed by the shareholders is 200,000,000 USD equivalent to 100%. However, a financial policy of the Company state that the profits generated will be re-invested

Forecasted financial Information, Financial information of SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED is projected within five years. The company projected profit and Loss, account show a respectable turnover (for reference you shall see table on page 18 and 19)

**SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED,
P. O. BOX 11049,
DAR ES SALAAM, TANZANIA**

2. Statement of Purpose

This Profile is drawn for seeking CERTIFICATE OF INCENTIVES from the TANZANIA INVESTMENT CENTRE and pre –feasibility study report for Manufacturing and processing of Float Glass and Glassware.

2.1 Purpose of Investment

This document is prepared to serve the purpose as a Pre-feasibility study report for **SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED** for investment in Industrial park for lease. In addition, the Pre- feasibility study report shall be submitted to TIC for an award of Certificate of Incentives. The implementation of this project will comprise the following activities:-

- Construction of a Real Estate sized 7 acres for the purpose of Apartments, Offices and factories which will accommodate other buildings, which shall be used as administration offices and new developments and increase in residents, retail establishments, Building and other amenities quickly pop up to service the growing population.
- New construction properties offer better construction and more advanced, longer-lasting building materials than resale properties, leasing of factory building.
- Fulfillment and Control. Owning investment properties comes with other benefits that are not financial. When you own investment real estate, you are your own boss, which is fulfilling too many investors. You can also make a difference in your community, providing homes for renters or bringing businesses to commercial properties that will provide much-needed services to their communities.
- Protection against Inflation. Real estate investments are considered protection against inflation. When the prices of goods and services are rising, home values and rents typically increase, too. Investment properties, then, can provide you with rising monthly income and appreciation to help protect you financially when the cost of everything else is going up, too.

2.2. Investment financing plan

The company expect to invest USD 200,000,000 from shareholders' funds. Profits generated from business operation will be re-invested. There could be a need for a loan from commercial banks in the future for extension of the project as the investor has set

**SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED,
P. O. BOX 11049,
DAR ES SALAAM, TANZANIA**

aside 100% of 200,000,000 USD for the investment in phase one up to the last phase. Table below show the assumptions how the investment-financing plan will look like.

**SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED,
P. O. BOX 11049,
DAR ES SALAAM, TANZANIA**

**TABLE 1
FINANCING**

<i>Financing</i>	\$
Owner's equity	
Cash	30,000,000
Contributed asset value	83,280,0000
Total	113,280,000

**TABLE 2
INVESTMENT COST PLAN**

<i>COST INVESTMENT STRUCTURE</i>	\$
Current assets	
Working capital	5,000,000
Opening inventory	500,000
Other	4,080,000
Property and equipment	
Land	1,500,000
Building	40,000,000
Equipment	52,500,000
Furniture and fixtures	150,000
Leasehold improvements	50,000
Plant	150,000
Motor Vehicles	1,850,000
Other_____	4,080,000
Installation	8,550,000
Total assets	113,280,000.00

**SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED,
P. O. BOX 11049,
DAR ES SALAAM, TANZANIA**

2.3 Summary of the Expected Results

At the end, the project is expected to achieve the following: -

- Provide an opportunity for availability of Float Glass and Glassware
- Import modern machine for purpose of float glass and glassware which contribute in advancing of new technology in Tanzania
- Increase 100 direct employment opportunities.
- Direct Domestic investment of more than \$10M within 2022 -2027.
- Increase tax contributed to the government
- Generate foreign currency.

3. BUSINESS DESCRIPTION

SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED is limited Company incorporated in Tanzania under the Company act of 2002. The Company was incorporated 03rd, May 2022, and bears Certificate of Incorporate # 156010847. Company implements project which is under manufacturing sector.

The Company will be responsible among others activities, operating and managing developer activities.

3.1.1. Legal Status

Legal certificates and documents such as Memorandum and Article of Association, certificate of incorporation, business license, Tax Identification Number, and value added Tax certificates Justify that **SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED** is operating within the ambit of the law of the Land.

3.1.2. Mission and Vision

The company vision is to be one of the leading companies in developing buildings.

The current mission of the company is to penetrate the markets within real estate sector in Tanzania. The company can achieve this through

- Apartment Buildings, Industrial Park and residence buildings and Offices.

**SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED,
P. O. BOX 11049,
DAR ES SALAAM, TANZANIA**

—

**SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED,
P. O. BOX 11049,
DAR ES SALAAM, TANZANIA**

- Establishing sustainable business relationship with Real Estate companies and other Factories and office but also Apartment and residence buildings.
- Proper and reasonable remuneration of the personnel
- Continuing networking with our esteemed clients.

3.1.3. Project Promoters

The project promoter, the project will be managed and operated by **SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED**. The Company is owned by a Tanzania citizen and Chinese corporation with diverse business in China. Current shareholding status is hereby shown below.

**SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED,
P. O. BOX 11049,
DAR ES SALAAM, TANZANIA**

NAME OF SHAREHOLDERS	NATIONALITY	SHARES%
Crewell International DMCC	Chinese Corporation	49%
W	Tanzanian	51%

3.1.4. Operations

The project will be managed and operated by **SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED**. The Company has not acquired Derivative right of the mentioned land and we are seeking further permits such as Certificate of Incentives for the Industrial park Leasing from TIC and there after consent shall berequested so as tenants can occupy the mentioned industrial park, office and Apartments

3.1.5. Project Location

The project shall be implemented at constructed Real Estate, administration block that will have more than 70 Acres, each that are very spacious to accommodate project of this nature. The project shall be located at Mkuranga District in Coast Region

3.1.6. Postal Address

SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED
P. O. Box 61445,
Dar Es Salaam, Tanzania

**SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED,
P. O. BOX 11049,
DAR ES SALAAM, TANZANIA**

4. Core Activities of the company

SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED will be dealing with establishing and operating the following facilities;

4.1.1. Construction of building and real estate facilities

In the first phase of the implementation of this project, the Company shall construct warehouse, administration buildings that shall be used to accommodate installation of Machineries and Equipment's, administration offices and accommodation.

4.1.2. Commercial Buildings and Industrial park for lease

This consists of the Apartment Building, Commercial offices and Factories, which will be allocated on plots number 19,20,21;Block A, Plot 13, Block B located at Mkiu, Mkuranga District, Coastal Region for the usage of General and Special industry purposes in the name of GOODWILL (TANZANIA) CERAMIC COMPANY LIMITED., administration and residence blocks as well.

4.2. Technical requirements of the project

The project implementation shall require some of technical facilities among others include -

- Machines making facilities manufacturing friendly.
- Trucks, forklifts for moving cargos from one place to another Excavator.
- Professional engineers for consulting and construction of the buildings.

5.1 REAL ESTATE SECTOR IN TANZANIA

The value of Tanzania's properties accounted for 3.7% of the country's GDP (USD1.8b) in 2014, compared to USD1b in 2009, representing an increase of 63%. The increase is mostly driven by the increasing demand for urban accommodation and the fast-growing Tanzanian population. Currently (2016), the population of Tanzania is estimated to be 54.85m and is expected to more than double by 2050. The development of properties in Tanzania is mostly focused on the commercial capital Dar esSalaam, but also on other major urban centers such as Mwanza, Arusha and Mbeya, due to growth in agriculture, mining and tourism sectors. The demand for properties in Tanzania is estimated at 200,000 houses annually, which results in a current housing shortage of 3m houses.

Alternative building materials are being explored as a way to deliver these houses on a rapid

**SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED,
P. O. BOX 11049,
DAR ES SALAAM, TANZANIA**

scale, according to the Centre for Affordable Housing Finance in Africa (CAHF). The Tanzanian housing demand has been boosted by easier access to mortgages, with the number of mortgage lenders in the market increasing from 3 in 2009 to 21 in 2015. The average mortgage interest rate in Tanzania fell from 22% to 16% during the same period.

Tanzania Housing Properties Rentals Property rentals in Tanzania are higher than those found in Kenya's capital, Nairobi for example where a one-bedroom apartment in the city center could be rent at around USD 444.5 a month while in Dar es Salaam it is at an average of USD 775.3 a month. Out of the Dar es Salaam city center, to rent a one-bedroom apartment can cost up to USD 514.34 a month. Tanzania Housing Properties Price Housing price per square meter averages USD 1,200.

**SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED,
P. O. BOX 11049,
DAR ES SALAAM, TANZANIA**

5:2 IMPORTANCE OF REAL ESTATE SECTOR IN TANZANIA

The reason why Tanzania needs a vibrant real estate sector today is to ensure economic independence in the long run. This can be achieved because of different advantages attached to the real estate sector, which include Firstly **Ability to Leverage Funds**, When investing in real estate you probably cannot afford to buy properties in full. After all, that single-family home you plan to rent might cost \$200,000 or more. That is where

advantage comes in. Advantage in real estate means you are using other people's money to purchase properties. In this case, you will take out loans from banks, mortgage lenders or credit unions and pay them back over time. This allows you to add to your real estate holdings without spending the full amount of money you would need to buy them on your own. Secondly **Portfolio Diversification**. Another benefit of investing in real estate is its diversification potential. Real estate has a low and in some cases negative correlation with other major asset classes. This means the addition of real estate to a portfolio of diversified assets can lower portfolio volatility and provide a higher return per unit of risk. Thirdly, **Build Equity and Wealth**. As you pay down a property mortgage, you build equity an asset that is part of your net worth. In addition, as you build equity, you have the advantage to buy more properties and increase cash flow and wealth even more.

Fourthly, **Appreciation**. Real estate investors make money through rental income, any profits generated by property-dependent business activity, and appreciation. Real estate values tend to increase over time, and with a good investment, you can turn a profit when it is time to sell. Rents also tend to rise over time, which can lead to higher cash flow.

. Fifthly, **improving Buildings**, as technology has improved, so has our ability to save water and electricity. Building standards have changed to support more sustainable and environmentally conscious design. Whether real estate developers are building new properties from the ground up or renovating old ones, they can consider these new standards. This enables them to produce buildings that are cooler in summer, warmer in winter and place less strain on the electrical grid. In addition, newer buildings are typically safer and more resilient against the elements owing to advances in engineering.

**SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED,
P. O. BOX 11049,
DAR ES SALAAM, TANZANIA**

5.3 DEVELOPERS IN TANZANIA

Currently Tanzania has many developers, they are increasing each day, and hence they contribute a lot to accommodating industries and many other investments in Tanzania

The proposed project is under management of GOODWILL (TANZANIA) CERAMIC

5.4 PROJECT JUSTIFICATION

COMPANY LIMITED in line with Tanzania Government efforts in attempt to revamp the economy and attract many investors as possible in different sectors. The recent drive of attracting investors in Tanzania in order to maximize its annual earnings from investment and compete effectively with regional competitors. This also has been complemented by following measures

- i. The government is making a critical review of all existing laws and regulations, taxation and policies with ultimate aim of improving and creating conducive environment for private sector Investment, tourism sector is inclusive.
- ii. In 2007/2008, the Government reviewed the existing Industry and trade Policy, taking into consideration the social economic base and the dynamism of Manufacturing and other industries in Tanzania.
- iii. In depth studies have been carried out in the following area
 - SMEs development study
 - Trade Integration Strategy, 2015-2023

Regarding the initiative undertaken by SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED sponsors, is justified by the following facts.

- The sponsors have a special invested interest in real estate and manufacturing, they have several years of experience in the mentioned fields.

Therefore, the establishment and operation of Commercial buildings will boost and at the same time strengthening real estate sector in Tanzania. The Company is marketing strategy, intention is to have a wide field of getting commercial buildings hence that is why they have started with this project, and they intend continuing with similar projects in the future.

**SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED,
P. O. BOX 11049,
DAR ES SALAAM, TANZANIA**

5:5 SOCIAL AND ECONOMIC IMPACT OF THE PROJECT

The proposed project will result into the following social and economic impacts:

- Improve and increase development of buildings in Tanzania
- Increased competitiveness among estate developers in Tanzania
- The project will provide employment for more than 100 people

direct and indirect

- The Government and other agencies will benefit from various taxes, fees and commissions that will be paid to the Treasury etc. by this Company.

**SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED,
P. O. BOX 11049,
DAR ES SALAAM, TANZANIA**

6. OPPORTUNITY DRIVERS

6.1 Increased demand of commercial Buildings in Tanzania

Tanzania now is witnessing the tremendous developments of technology advancement. In addition, there are many investors coming to invest in Tanzania so there has been a very huge demand in commercial buildings where investors can establish their projects.

6.2 Uniqueness location of the project

SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED.'s project will be one of the major float Glass and Glassware manufacturers in Tanzania. Location of the Project shall be in Mkuranga District in Coast Region. The location of this project provides an opportunity to SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED to capture easily the market all around Tanzania and neighboring countries

6.2 Government Policy

The Government of Tanzania has made the policy that intends to improve and promote Manufacturing Industry. This sector employs many people and it is a key driver towards transforming and developing the national economy.

6.3 Government Incentives package

In 1997, Tanzania Government enacted Investment law that offers and guaranteed reasonable incentives to both local and foreign investors.

**SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED,
P. O. BOX 11049,
DAR ES SALAAM, TANZANIA**

7. MARKETING INFORMATION

Market Analysis

7.1.1. National Policy

The promotion of sustainable industrialization as one of the global development goals in the 2030 Agenda for Sustainable Development adopted by the United Nations Development Summit is particularly relevant to Africa's economic transformation plan for the next 50 years. The “Belt and Road Initiative “initiative that China is currently advancing has docked the industrialization strategies of African countries, which has brought unprecedented opportunities for industrial development in African countries. China-Africa capacity cooperation will usher in a broader stage.

7.1.2. CUSTOMER DATABASE

SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED will aggressively seek to build a database of Customers. Customers will have an opportunity to be included in the database so they can participate in sales promotions such as birthday or anniversary cards; email notification of upcoming specials; coupons; etc. The database will be gathered and maintained on special database software GOODWILL (TANZANIA) CERAMIC COMPANY LIMITED will gather names in a variety of manners including staff requests; business card drop for free lunch; guests’ sign up book with promotional signage; menu insert promotion; etc.

7.1.3 ADVERTISING

SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED will adopt an aggressive advertising strategy. Outdoor signage for SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED will describe outdoor and changeable copy advertisement and elaborate design signage depends upon lease space restrictions; designed within allowable limits to achieve maximum exposure.

**SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED,
P. O. BOX 11049,
DAR ES SALAAM, TANZANIA**

SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED will utilize both traditional and non-traditional methods of advertising. Management's viewpoint on advertising is stated in your own words, the philosophy SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED will adopt towards the use of traditional advertising such as radio, newspaper, billboards or television and social media.

7.1.4 Costing and Pricing

The management of SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED does the costing and pricing. The costing takes into consideration various aspects depending on the cost, which has which will be incurred, inflation factor and Operating costs. The project promoters of the company are in business for long time i.e. they are business-oriented personnel.

7.1.5 CUSTOMERS

SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED is targeting to all regions in Tanzania and outside of Tanzania specifically targeting the following customers: local and foreigners. Which will improve their economic circumstances. In small towns, real estate development attracts more residents, and in urban areas, real estate development can rejuvenate regions that have lost their earlier appeal. These developments help maintain or even improve local property prices, which also aids the local economy.

7.1.6 SERVICE

As it has been explained in preamble chapters, **SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED** will be offering service of leasing the commercial buildings such as warehouses, administration office and residence for accommodation at Plot No: 19,20,21 Block A, Plot 13 Block B located at Mkiu, Mkuranga District, Coastal Region. SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED as real estate developers has a **positive impact can be far-reaching for local communities**, turning small hamlets into sustainable towns. Without real estate development, we would not have homes, shops, schools, hospitals, and other essential buildings to protect us from the elements and service our needs. The reason why real estate development is important is that it supports progress in our society.

**SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED,
P. O. BOX 11049,
DAR ES SALAAM, TANZANIA**

Around 62 dollars / ton (about 434 RMB/ton); to the EXW price of soda ash that is imported from the Kenyan port, is about 265 US dollars / ton (about 1855 yuan / ton).

There is a great reserve of natural gas in Tanzania, of which the proven ones are about 44 trillion cubic feet. The natural gas pipeline has been connected to the industrial park where the project is located, ready for use. Natural gas prices in Tanzania are low, about one-third lower than international prices, approximately 1.8-2 RMB per cubic meter. If heavy oil is used as the industrial fuel, the price is slightly higher, about 2-2.4RMB.

Tanzania applies free market economy system, which means no control over foreign exchange. The funds and profits of Foreign-funded enterprises can be exchanged abroad freely. Therefore, foreign exchange rates need not be taken into consideration. In addition, Tanzania imposes zero-tariff on the imported equipment from foreign-invested enterprises. Besides, new enterprises may apply for a three-year tax exemption policy.

Based on the current market situation and future development plan, we can judge that under the guidance of the Belt and Road, making full use of local industrial resources, giving play to the advantages of local sources of goods and labour, controlling the cost and quality of glass products and strengthening market competitiveness so as to avoid unnecessary trade risks on market are the best choices for the long-term development of float glass business and glass deep processing

7.2. Marketing Strategy

7.2.1. Overview

The success of SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED will be achieved by providing high tech products, providing friendly service and employing an aggressive marketing plan to build customer traffic. Today's market requires more than just products and service to make a SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED successful. SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED will constantly strive to enthusiastically win more customers by being proactive rather than reactive in our marketing efforts.

**SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED,
P. O. BOX 11049,
DAR ES SALAAM, TANZANIA**

An industrial park is a portion of a city that is zoned for industrial use rather than residential or commercial needs. Industrial parks may contain oil refineries, ports, warehouses, distribution centers, and factories. Some industrial parks offer tax incentives for businesses to locate there, such as tax increment financing

Industrial parks can be structured to bring together complementary services and features that will benefit the companies that occupy space there. Ports provide access for commodities and finished products to be brought to major industrial hubs for distribution. Cranes and other heavy lifting equipment available at the industrial park are used to transfer the cargo to trucks and railroad cars. The cargo can also be stored at warehouses located within the industrial park. Manufacturers based in an industrial park that has port access can quickly procure the materials they need to create their products.

7.2.2. Customer Database

SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED will aggressively seek to build a database of Customers. Customers will have an opportunity to be included in the database so they can participate in sales promotions such as birthday or anniversary cards; email notification of upcoming specials; coupons; etc. The database will be gathered and maintained on special software. SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED will gather names in a variety of manners including staff requests; business card drop for free lunch; guests' sign up book with promotional signage; menu insert promotion; etc.

7.2.3. Advertising

SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED will adopt an aggressive advertising strategy. Outdoor signage for SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED will describe outdoor and changeable copy advertisement and elaborate design signage depends upon lease space restrictions; designed within allowable limits to achieve maximum exposure.

SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED will utilize both traditional non- traditional methods of advertising. Management's viewpoint on advertising is state in your own words, the philosophy SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED will adopt towards the use of traditional advertising such as radio, newspaper, billboards or television.

7.2.4. Costing and Pricing

The management of SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED does the costing and pricing. The costing takes into consideration various aspects depending on the

cost, which has which will be incurred, inflation factor and Operating costs. The project promoters of the company are in business for long time i.e. they are business-oriented personnel.

**SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED,
P. O. BOX 11049,
DAR ES SALAAM, TANZANIA**

7.2.5. Customers

SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED is targeting to all regions in Tanzania and outside of Tanzania specifically targeting the following customers: Wholesale and retail hardware suppliers.

7.2.6. Products

As it has been explained in preamble chapters, SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED will set project, which will be indulging in Manufacturing and Processing of Float Glass and Glassware in Tanzania



**SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED,
P. O. BOX 11049,
DAR ES SALAAM, TANZANIA**

8. Analysis of Strengths, Weaknesses, Opportunity and Threats

Table below present the analysis of the company's Strengths, Weaknesses, Opportunities and Threats (SWOTS)

Strengths <ul style="list-style-type: none">▪ It has a strong equity financing▪ Strong management and well paid personnel▪ Has a will to expand▪ Access to reliable high technology	Weaknesses <ul style="list-style-type: none">▪ Not yet emphasize on the marketing
Opportunities <ul style="list-style-type: none">▪ Good government suitable facilitative policy▪ Raising investments real estate sector▪ Government development power supply project in Tanzania	Threats <ul style="list-style-type: none">▪ Unawareness of the new entrants in the Industry in the same location▪ Increment of inflation▪ Presence of fake suppliers of the same products.

The company has prepared for the action plans by doing the following:

1. In future if needs arises the Company may seek more funds from bank to finishing phase of this project.
2. The company will employ expatriates for marketing of its products/services and develop marketing plan.

**SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED,
P. O. BOX 11049,
DAR ES SALAAM, TANZANIA**

8.2 Marketing Plan

The company has both short term and long-term marketing plan:

The short-term marketing plan includes:

- Participating in business show case exhibitions
- Building sustainable long-term relationship with relevant manufacturers of float glass and glassware.
- Training of sales staff sales and Marketing.

Long Term Plans includes:

- Join to the network of Manufacturing and Construction companies to market and exploit more business opportunities
- Investing Market Research and Development

**SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED,
P. O. BOX 11049,
DAR ES SALAAM, TANZANIA**

9. Management & Administration

9.1. Management

The management team of SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED planned to be constituted by the following management team:-

9.1.1. Board of Directors

The board of Directors manage SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED which is the apex body for strategic decision making of the project. Directors of the Company are the ones who having shares in SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED, The Company which shall manage this project.

9.1.2. General Manager

Immediate after Board of Director the shall be a General Manager who will be responsible to take care of mater pertaining operation and managing daily activities of the project as well as other staffs welfares and report them to the board of directors.

9.1.3. Production Manager

Production Manager will be employed who expected to have an extensive background in the manufacturing industry. As the production Manager will be directly responsible for all processing functions including manufacturing and processing of float glass and glassware.

Under production manager there shall be reasonable number of technical staffs who will be involved in daily processing within this project.

9.1.4. Accountant/cash

An accountant will be employed who expected to have good experience in accounting system as well as he will be responsible in managing cash of SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED but also keeping books of accounts properly.

9.1.5. Management Agreements

Management Agreements will be executed between SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED and other team managers. The purpose of these agreements is to define the expectations of both parties, establish an incentive structure, and define the grounds under which the agreement may be terminated.

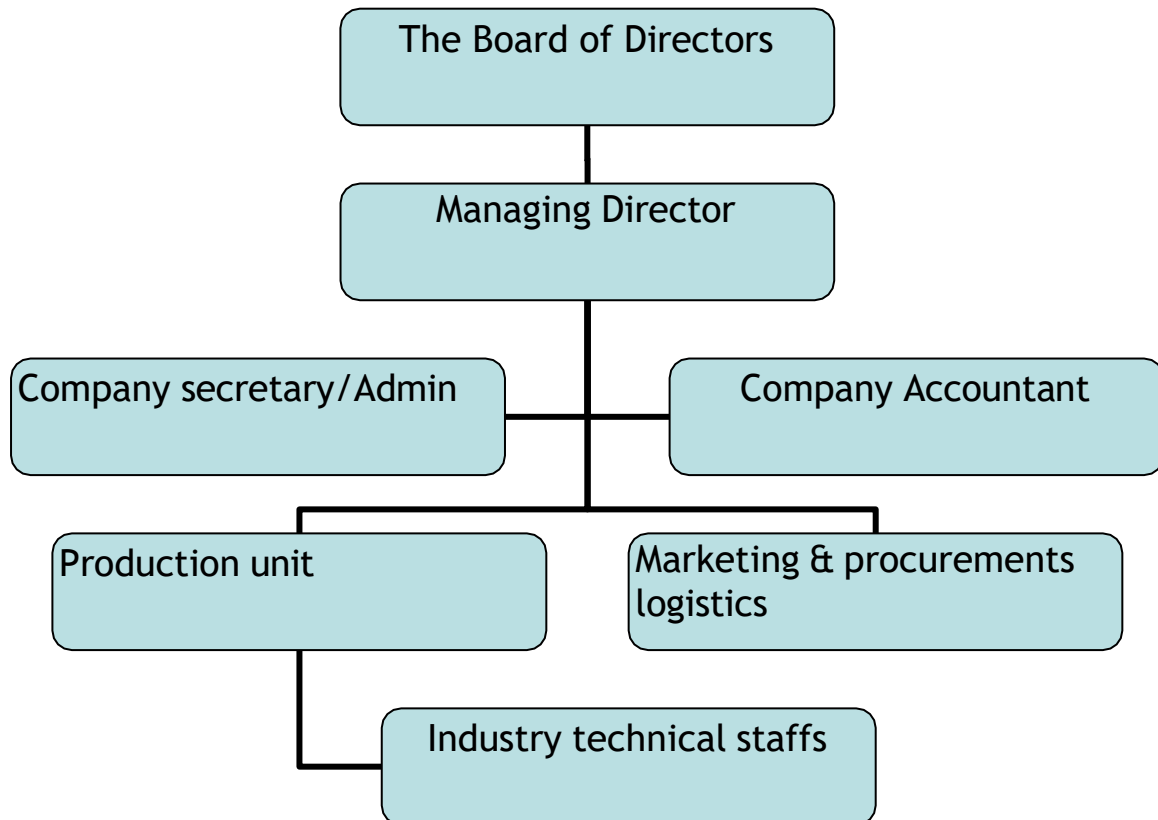
**SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED,
P. O. BOX 11049,
DAR ES SALAAM, TANZANIA**

9.1.6. Confidentiality Agreements

SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED will enforce that all employees sign a confidentiality agreement. Confidentiality agreements with our employees and partners will protect our products, operating systems, policies and procedures. Having a confidentiality agreement in place is essential to protect the company's trade secrets, and show our employees that we take our business seriously.

9.1.7 Organization Structure

The management of SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED is planning to have the following organization structure.



**SAPPHIRE FLOAT GLASS (TANZANIA) COMPANY LIMITED,
P. O. BOX 11049,
DAR ES SALAAM, TANZANIA**

Conclusion

- Revenue will be contributed to the Government through various taxes.
- The project will offer continuous direct employment to almost 50 people and create other indirect employment to other people.
- The company looks technically feasible and financially viable. It is therefore recommended that the project be supported.